

Solid Waste Management Division - Operations

DESCRIPTION OF MAJOR SERVICES

The Solid Waste Management Division (SWMD) is responsible for the operation and management of the County of San Bernardino's solid waste disposal system, which consists of 6 regional landfills, and 8 transfer stations, oversight and/or post-closure maintenance at 28 inactive or closed landfills and waste disposal sites throughout the county. SWMD provides scale operations and maintenance; accounts payable/receivable; engineering, design, and construction management; and education and waste diversion. SWMD provides oversight, direction, guidance and control of the contractor, Burrtec Waste Industries, Inc. (Burrtec), for the daily operations of the county's active landfills, transfer stations, and maintenance of the inactive and closed landfills. In its contract administrative role, SWMD provides both general and specific direction to Burrtec in implementing county policies and procedures pertaining to the operations of the county's solid waste system. SWMD also monitors Burrtec's performance under the contract. SWMD maintains direct coordination with all regulatory agencies and liaison activities with customers, including cities, refuse haulers, and citizens. SWMD receives state grant monies, county and private industry matching funds to be used to further the education and outreach for waste reduction, reuse and recycling programs.

BUDGET AND WORKLOAD HISTORY

	Actual 2003-04	Budget 2004-05	Estimate 2004-05	Proposed 2005-06
Appropriation	46,873,639	57,212,395	63,502,709	55,948,381
Departmental Revenue	56,736,707	57,440,172	63,837,491	58,899,257
Revenue Over/(Under) Expense	9,863,068	227,777	334,782	2,950,876
Budgeted Staffing		84.8		84.2
Fixed Assets	442,845	353,000	253,397	2,636,975
Unrestricted Net Assets Available at Year End	3,321,205		3,402,590	

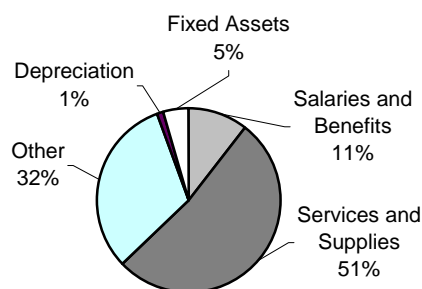
Workload Indicators

Total Revenue-Generating Tons	1,497,304	1,714,800	1,623,964	1,852,124
Single Family Residences	81,014	81,104	80,784	80,784
Active Facilities	14	14	14	14
Inactive Facilities	28	28	27	27
Closed "capped" Facilities	-	4	5	5

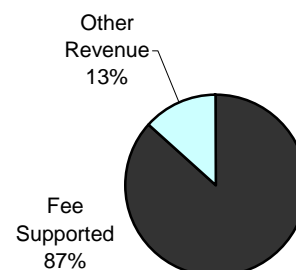
The estimated expenses for 2004-05 are approximately \$6.3 million greater than budget. This overage is primarily due to an additional \$14.3 million being transferred to other SWMD funds, including \$9.6 million for Groundwater and Landfill Gas Remediation projects, \$1.6 million for Expansion projects, and \$2.6 million for the Financial Assurance (closure) Fund. These transfers were partially offset by an \$8.0 million savings in costs attributed to closure of the Bark Beetle wood waste incineration site at Burnt Flats, reduced depreciation expense, salary savings from vacant positions, and not utilizing the amount set-aside in the contingencies account.

Similarly, estimated revenues are \$6.4 million more than budget. The additional revenues can be attributed mainly to the anticipated receipt of approximately \$4.1 million from federal and state agencies for reimbursement of cost related to the fire debris removal program. Also, SWMD expects to receive \$1.1 million from Burrtec for not meeting density requirements in accordance with the landfill operations contract, as well as an additional \$0.7 million from the restructuring of waste hauling services from permitted to franchised areas.

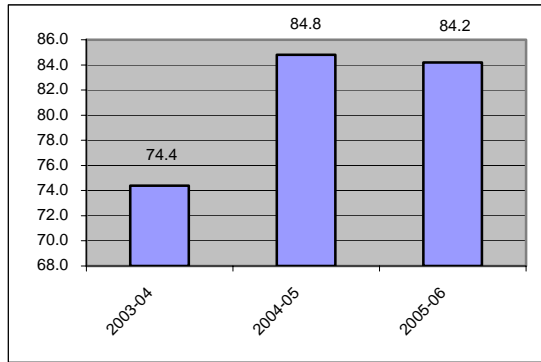
2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY



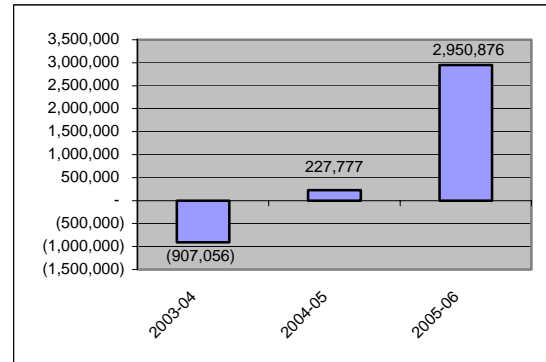
2005-06 BREAKDOWN BY FINANCING SOURCE



2005-06 STAFFING TREND CHART



2005-06 REVENUE OVER/(UNDER) TREND CHART



GROUP: ECON DEV/PUBLIC SVC
 DEPARTMENT: SOLID WASTE MANAGEMENT
 FUND: EAA SWM, EWC SWM, EWE SWM

BUDGET UNIT: SOLID WASTE MANAGEMENT
 FUNCTION: HEALTH AND SANITATION
 ACTIVITY: SANITATION

ANALYSIS OF 2005-06 BUDGET

	A	B	C	D	B+C+D E	F Department Recommended Funded Adjustments (Schedule A)	E+F G 2005-06 Proposed Budget
	2004-05 Year-End Estimates	2004-05 Final Budget	Cost to Maintain Current Program Services	Board Approved Adjustments	Board Approved Base Budget		
Appropriation							
Salaries and Benefits	4,775,415	5,727,010	662,221	-	6,389,231	(234,313)	6,154,918
Services and Supplies	27,487,058	33,752,273	(434,366)	-	33,317,907	(2,736,695)	30,581,212
Central Computer	36,266	36,266	18,952	-	55,218	-	55,218
Other Charges	10,948,709	11,188,346	-	-	11,188,346	1,649,674	12,838,020
Transfers	317,659	327,453	-	-	327,453	48,038	375,491
Contingencies	-	588,900	-	-	588,900	(588,900)	-
Total Appropriation	43,565,107	51,620,248	246,807	-	51,867,055	(1,862,196)	50,004,859
Depreciation	592,147	592,147	-	-	592,147	-	592,147
Oper Trans Out	19,345,455	5,000,000	-	-	5,000,000	351,375	5,351,375
Total Requirements	63,502,709	57,212,395	246,807	-	57,459,202	(1,510,821)	55,948,381
Departmental Revenue							
Taxes	7,443,400	7,053,033	-	-	7,053,033	317,485	7,370,518
Licenses and Permits	2,003,857	1,359,128	-	-	1,359,128	644,729	2,003,857
Use Of Money and Prop	341,310	255,500	-	-	255,500	76,048	331,548
State, Fed or Gov't Aid	4,159,016	82,061	-	-	82,061	416	82,477
Current Services	47,978,127	48,430,429	246,807	-	48,677,236	337,221	49,014,457
Other Revenue	1,337,532	10,021	-	-	10,021	(3,621)	6,400
Other Financing Sources	359,500	50,000	-	-	50,000	-	50,000
Total Revenue	63,622,742	57,240,172	246,807	-	57,486,979	1,372,278	58,859,257
Operating Transfers In	214,749	200,000	-	-	200,000	(160,000)	40,000
Total Financing Sources	63,837,491	57,440,172	246,807	-	57,686,979	1,212,278	58,899,257
Rev Over/(Under) Exp	334,782	227,777	-	-	227,777	2,723,099	2,950,876
Budgeted Staffing		84.8	-	-	84.8	(0.6)	84.2
Fixed Asset							
Land	105,000	-	-	-	-	-	-
Improvement to Land	100,000	100,000	-	-	100,000	2,400,000	2,500,000
Equipment	48,397	253,000	-	-	253,000	(253,000)	-
Vehicles	-	-	-	-	-	136,975	136,975
Total Fixed Assets	253,397	353,000	-	-	353,000	2,283,975	2,636,975

In 2005-06 the department will incur increased costs in retirement, workers compensation, central computer charges and inflationary services and supplies purchases and will incur decreased costs in risk management insurance. In addition, this budget unit included an estimated increase in salaries and benefits related to the pending negotiations, as this cost is financed by departmental revenues. These costs are reflected in the Cost to Maintain Current Program Services column.



DEPARTMENT: SOLID WASTE MANAGEMENT
 FUND: EAA SWM, EWC SWM, EWE SWM
 BUDGET UNIT: SOLID WASTE MANAGEMENT

SCHEDULE A

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
1. Salaries and Benefits				
Delete positions because of the partial closure of the Bark Beetle Program	(9.6)	(461,551)	-	461,551
The incineration site has been closed, the equipment sold, rented structures returned, and the site returned to its original state. These various positions, hired to work at the incineration site, are not necessary to the needs of the SWMD, and are to be deleted from the division. These positions are as follows: 2.5 Contract Equipment Operators III (\$135,536), 3.5 Contract Equipment Operators II (\$197,534), and 3.5 Contract Scale Operators (\$128,481). One Contract Equipment Operator III is being maintained to provide daily review of the leased logging storage site in Lake Arrowhead.				
Salaries and benefits savings	-	(305,947)	-	305,947
The SWMD recommends a reduction in salaries and benefits that will not be needed for this fiscal year. The reduction includes \$152,113 for staff on active military duty and a reduction in Public Service Employees for the fire debris removal program, \$14,536 in overtime, \$10,000 for termination benefits, \$785 for FICA medicare tax, \$12,117 for PST plan county paid retirement for the PSE's, and \$116,396 for payroll-EPWA Direct charges for computer support services.				
Add various positions for increased workloads and programs.	9.0	533,185	-	(533,185)
Staffing request includes the following:				
* 1.0 Scale Operator (\$51,505) for a new scale station at the Mid-Valley Landfill.				
* 1.0 Supervising Planner (\$101,813) to supervise planning staff and be responsible for long-range development, permitting and new technologies.				
* 1.0 Engineering Tech IV (\$73,012) for perchlorate monitoring and reporting.				
* 1.0 Staff Analyst I (\$69,027) needed for a variety of duties including preparation of CIWMB revised tonnage reports, provide analysis of recycling programs, research alternative uses of landfill gas, and resolve jurisdictional waste and recycling report complaints.				
* 1.0 Automated Systems Technician (\$58,639) to maintain SWMD's hardware and software programs including expanding/updating the network and the repair of scale computers and printers.				
* 1.0 Clerk III (\$45,413) to convert the over 1.2 million pages of documents in the SWMD library to electronic and imaged format for on-line access.				
* 1.0 Clerk III (\$45,413) to review and process the approximate 7,500 Uniform Handling Waiver Program applications received each year.				
* 1.0 Clerk II (\$40,960) to assist with the increasing number of contracts and requests for proposals processed by SWMD for closures and other projects.				
* 1.0 Fiscal Clerk II (\$46,403) to process the 600 daily scale ticket corrections and provide reconciliation for a new mandated recycling program at the landfills.				
2. Services and Supplies				
Non Program Specific Adjustments	-	294,420	-	(294,420)
These expenditures are not attributable to specific programs identified below. They include telephone charges, COWCAP, ISD development charges, banking charges, office supplies, general vehicle use, office equipment, and travel. The increase is primarily for records media imaging that is off-set by the elimination of an ESFR study for those residents paying the Solid Waste fee with their tax bill.				
Waste Characterization Rate Study	-	(300,000)	-	300,000
The waste characterization rate study was conducted last year and these funds are no longer needed by the division.				
Operations Contract	-	1,628,600	-	(1,628,600)
This program is the major component for the daily operations of the landfills and transfer stations throughout the County. The current contract operator is Burrtec Waste Industries, Inc. The increase is due to a COLA adjustment of \$1,398,284 for ordinary and WDA waste and \$153,750 for Article 19 waste, the first full year of the out-of-county (Article 20) waste program \$1,036,500, initial funding for a recycling program at the landfills and transfer stations \$191,213, and a reduction for the payment from underestimating the annual tonnage of (\$1,151,147).				
Bark Beetle Program		(6,487,170)	-	6,487,170
This decrease in funding is due to the closure of the incineration site and reduction of the chipping operations at the Heaps Peak and Big Bear transfer stations. The remaining operations for chipping at both transfer stations is completely off-set by revenues.				
Perchlorate Program	-	670,617	-	(670,617)
While most of the cost to mitigate the perchlorate impact will be funded in the Groundwater and Landfill Gas Remediation Fund (EAL SWM), the increase for printing and mailing \$5,588, public notices \$7,019, and legal fees \$658,010 remain in the Operations Fund (EAA SWM).				
Customer Service Program	-	202,828	-	(202,828)
SWMD is constantly defining and implementing methods to improve customer service. This increase provides for warning lights at the Heaps Peak Transfer Station, improved network linking with the main office for fewer transmission errors and upgrading service to outlying areas, and customer notices of pending program changes and improvements.				



SCHEDULE A continued

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
Waste Reduction Program	-	647,923	-	(647,923)
This increase is recommended to improve the SWMD recycling and reuse efforts for business waste prevention, general waste prevention, and recycling green waste and wood waste.				
Capital Projects Technical Support		470,924	-	(470,924)
This increase is due primarily to additional corrective actions requested by the various regional water quality control boards. The perchlorate water monitoring function will be provided by the addition of the Engineering Technician IV in the staffing request above.				
Operations Inspections and Scales	-	135,163	-	(135,163)
This program provides for the daily inspection of the landfills and transfer stations and operations for the scale houses throughout the County. This increase continues the services being provided and for additional community clean up opportunities while in route to the various landfill and transfer station locations.				
3. Other Expenditures				
Other Charges		1,649,674	-	(1,649,674)
Other Charges include payments for debt service principle \$250,000 and interest \$804,789, payments to the CIWMB \$483,840, payments to the WDA Cities for their portion of the Article 19 fee \$101,625, payment to the City of Rialto for aggregate royalty for mining at the Mid-Valley Landfill \$12,000, and property taxes paid to the City of Ontario for the Milliken Landfill (\$2,580). These payments increase or decrease each year to conform to scheduled payments, and increased or decreased tonnages.				
Transfers	-	48,038	-	(48,038)
Intra-fund transfers out increases include payments to other departments for salaries and benefits \$42,749, services and supplies \$5,829, and other transfer adjustments (\$540).				
Contingencies and Reserves		(588,900)	-	588,900
This account is being reduced to \$0.				
Operating Transfers Out	-	351,375	-	(351,375)
Operating transfers out increases include the transfer of cash from the operations budget to cover depreciation in the expansion fund (EAC) for \$965,144 and postclosure groundwater and landfill gas remediation fund (EAL) for \$556,886, even though the depreciation amounts are non-cash book entries for the annual accounting statements and the cash can not be used for any other purpose. In addition, there is a reduction in the annual general fund reimbursement of (\$1,170,655) for properties purchases by the general fund prior to 1982. This is the last year for the payment of this reimbursement.				
4. Revenues				
Taxes		-	317,485	317,485
Increase due to over-estimation last year (751 estimated versus 325 actual) of the number of homes destroyed in the Old Waterman Canyon and Grand Prix fires of October 2003 that pay the equivalent single family residence (ESFR) fee with their property tax bill.				
Licenses and Permits	-	-	644,729	644,729
This account is for the unincorporated franchise haulers payments to the division. Several of the waste collection permitted areas were designated as franchise areas last year and contracts were negotiated, increasing the revenue provided by those areas. These revenues are used to provide recycling and reuse programs.				
Revenue From Use of Money	-	-	76,048	76,048
These revenues increase for the management of rental property for Bark Beetle lumber storage in Lake Arrowhead and will decrease for interest because of a lower average daily bank balance.				
State, Federal, and Other Governmental Aid	-	-	416	416
No significant change in this revenue source is anticipated.				
Current Services	-	-	337,221	337,221
Revenue is expected to increase as follows: * \$5,000,045 for ordinary refuse to maintain parity with the WDA rate and adding 123,456 tons * \$305,412 for the WDA's COLA increase * \$573,750 for Articles 19 COLA increases * \$3,489,000 for Article 20 COLA and the addition of 150,000 tons The above increases are mostly offset by the following: * \$307,831 in additional payments to the Local Enforcement Agency * \$582,497 in additional payments to the cities for host fees * \$352,500 in additional transfers for closure/expansion projects * \$7,856,337 reduction in revenues for the Bark Beetle program				



SCHEDULE A continued

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
Other Revenue		-	(3,621)	(3,621)
Other revenues are decreasing due to a projected less amount received from the sale of plans and specs and from the lease of a building in the Big Bear valley by the United States Forest Service.				
Operating Transfers In	-	-	(160,000)	(160,000)
This transfer was for maintenance of State Highway 173, leading to the Bark Beetle wood Incineration site. Maintenance was being funded by the Environmental Mitigation Fund. The facility has been closed and this transfer is no longer required by the SWMD.				
Total	<u>(0.6)</u>	<u>(1,510,821)</u>	<u>1,212,278</u>	<u>2,723,099</u>

DEPARTMENT RECOMMENDED CHANGES IN FIXED ASSETS

Brief Description of Change	Appropriation
1. Improvements to Land	2,400,000
The amount budgeted for 2005-06 includes the installation of a scale at the Mid-Valley Landfill (\$300,000), the installation of a warning light system at the Heaps Peak Transfer Station (\$150,000), and the construction of recycling facilities for improved waste diversion and recycling at the landfills (\$2,050,000).	
2. Equipment	(253,000)
No equipment purchase are budgeted for the upcoming year.	
3. Vehicles	136,975
The 2005-06 budget reflects the addition of four new pick-up trucks. One truck is needed for a Landfill Inspector position to perform daily inspections of landfill operations in compliance with regulations. The other three trucks are needed for the division's engineering staff who travel throughout the county performing regular and routine field duties. The current number of vehicles assigned to the SWMD is not sufficient for this staff to accomplish their function.	
Total	<u>2,283,975</u>



DEPARTMENT: SOLID WASTE MANAGEMENT
 FUND: EAA SWM, EWC SWM, EWE SWM
 BUDGET UNIT: SOLID WASTE MANAGEMENT

SCHEDULE C

FEE REQUEST SUMMARY

	Brief Description of Fee Request	Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
1.	Ordinary Refuse Fee - COLA Increase The Waste Delivery Agreements (WDA) provide for an annual cost-of-living-adjustment (COLA) and a spread of \$4.50 between the Ordinary Refuse Fee and the WDA Fee. This fiscal year the COLA increased by \$1.08/ton or 2.5%. This increase is requested to maintain parity with the WDA COLA increase.	-	536,462	536,462	-
2.	Uncovered Load - COLA Increase The Waste Delivery Agreements (WDA) provide for an annual cost-of-living-adjustment (COLA) and a spread of \$4.50 between the Ordinary Refuse Fee and the WDA Fee. This fiscal year the COLA increased by \$1.08/ton or 2.5%. The uncovered load fee is set at the same amount as the Ordinary Refuse fee. This increase is requested to maintain parity with the Ordinary Refuse Fee increase.	-	1,080	1,080	-
3.	Processed Green Waste - New Fee The CIWMB recommends the use of processed green waste as an alternative to dirt for daily cover. Where practical, the SWMD authorizes its contractor, Burrtec, to use processed green waste rather than dirt. The SWMD has not charged for process green waste used as alternative daily cover. However, the CIWMB allows 12 inches of processed green waste to be used rather than the 6 inches for dirt. The additional airspace used is a valuable commodity, the major commodity, sold by the SWMD. Loss of the airspace results in loss of the commodity. The SWMD recommends adding this fee, at the acceptable market rate of \$1.75 per ton, to off-set the loss of available airspace.	-	437,500	437,500	-
4.	Perchlorate Mitigation Surcharge - New Fee The Santa Ana Regional Water Quality Control Board (SARWQCB) issued a Notice of Violation to the SWMD for perchlorate discharged at the Mid-Valley Landfill and ordered the SWMD to provide replacement water to the Rialto Water District. The SWMD realized that, while this action would provide potable water to some residents of the City of Rialto, it would not solve the problem created by the perchlorate discharge. Therefore, the SWMD recommended, and the SARWQCB agreed, to construct a water filtering and purification treatment plant at Well #3, southeast of the landfill. In addition, the SWMD will fund the operations and maintenance costs for the treatment plant, indefinitely. The perchlorate discharge is an unforeseen circumstance for the past planning and cost calculations for the SWMD. Therefore, the SWMD is recommending the addition of this fee in the amount of \$0.69/ton as a surcharge, and in compliance with the WDA's, to all revenue generating tons entering the landfills, countywide.	-	948,494	948,494	-
5.	Delete ESFR Fees For Mountain Commercial Properties The San Bernardino Mountains, from Lake Arrowhead to Big Bear, residential and commercial properties are charged the estimated single family residence (ESFR) comparative waste disposal rate fee with their property tax bill, rather than paying the ordinary refuse rate to a hauler or at the gate. The ESFR was established after a waste characterization and tonnage study conducted in 1989. However, while the mountain commercial properties pay the ESFR, the desert commercial properties pay the ordinary refuse rate to a hauler or at the gate. Eliminating (deleting) the mountain commercial properties from the ESFR will address two issues; one being the consistency of the rate charged to commercial properties countywide, and the other to comply with a civil suit settlement agreement. SWMD estimates that deletion of the ESFR fees for mountain commercial properties would result in an annual loss of revenue in the amount of \$370,018. However, with the deletion of the mountain commercial properties ESFR payment, the waste tonnage will be accepted at the transfer stations at the Ordinary Refuse rate, which would generate enough revenue to mostly offset the loss of revenue associated with deleting the ESFR fees. This additional revenue is estimated at \$280,687 per year, resulting in only a net \$89,331 reduction in revenues for SWMD from this action.	-	(89,331)	(89,331)	-
Total		-	1,834,205	1,834,205	0

